

515(c)(4) of MAHRA will apply except for families already receiving tenant-based assistance when the project-based assistance terminates.

**§ 401.607 Contract term.**

The term of the initial and subsequent contract renewals under this part, whether for project-based or tenant-based assistance, will be determined by the appropriate HUD official.

**Subpart F—Owner Dispute of Rejection and Administrative Appeal**

**§ 401.645 How does the owner dispute a notice of rejection?**

(a) *Notice of rejection.* HUD will notify the owner of the reasons for a rejection under §§ 401.101, 401.402, 401.403, 401.405 or 401.451. An owner will have 30 days from receipt of this notice to provide written objections or to cure the underlying basis for the objections. If the owner does not submit written objections or cure the underlying basis for the objections during that period, the decision will become a final determination under section 516(c) of MAHRA and is not subject to judicial review.

(b) *Final decision after objection; right to administrative review.* If an owner submits written objections or asserts that the underlying basis for the objections is cured, after consideration of the matter HUD will send the owner a final decision affirming, modifying, or reversing the rejection and setting forth the rationale for the final decision.

**§ 401.650 When may the owner make an administrative appeal of a final decision under this subpart?**

The owner has a right to make an administrative appeal of the following:

- (a) A final decision by HUD under § 401.645(b) (including a final decision under § 402.7 of this chapter);
- (b) A decision by HUD and the PAE to offer a proposed Restructuring Commitment that the owner does not execute; and
- (c) A decision by HUD to accelerate the second mortgage under § 401.461.

**§ 401.651 Appeal procedures.**

(a) *How to appeal.* An owner may submit a written appeal to HUD, within 10 days of receipt of written notice of the decision, contesting the decision and requesting a conference with HUD. At the conference, the owner may submit, in person, in writing, or through a representative, its reasons for appealing the decision. The HUD or PAE official who issued the decision under appeal may participate in the conference and submit in person, in writing, or through a representative, the basis for the decision.

(b) *Written decision.* Within 20 business days after the conference, or 20 business days after any agreed upon extension of time for submission of additional materials by or on behalf of the owner, HUD will advise the owner in writing of the decision to terminate, modify, or affirm the original decision.

(c) *Who is responsible for reviewing appeal?* HUD will designate an official to review any appeal, conduct the conference and issue the written decision. The official designated must be one who was neither involved in, nor reports to another involved in, making the decision being appealed.

**§ 401.652 No judicial review.**

The reviewing official's decision under § 401.651 is a final determination for purposes of section 516(c) of MAHRA and is not subject to judicial review.

**PART 402—PROJECT-BASED SECTION 8 CONTRACT RENEWAL WITHOUT RESTRUCTURING (UNDER SECTION 524(a) OF MAHRA)**

**Sec.**

- 402.1 What is the purpose of part 402?
- 402.2 Definitions.
- 402.3 Contract provisions.
- 402.4 Contract renewals under section 524(a)(1) of MAHRA.
- 402.5 Contract renewals under section 524(a)(2) of MAHRA.
- 402.6 What actions must an owner take to request section 8 contract renewal under this part?
- 402.7 Refusal to consider an owner's request for a section 8 contract renewal because of actions or omissions of owner or affiliate.